

Evergreen International Airlines, Inc. U.S.-Ecuador All-Cargo Frequencies

August 2, 2002

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ANSWER OF THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
TO THE APPLICATION OF
EVERGREEN INTERNATIONAL AIRLINES, INC.
FOR AN EXEMPTION AND ALLOCATION OF FREQUENCIES

The Port Authority of New York and New Jersey (Port Authority) strongly supports the application of Evergreen International Airlines (Evergreen) to offer service from New York to Ecuador. This all-cargo service will be offered twice weekly to the co-terminal points of Quito, Guayaquil, and Latacunga. This is the only cargo service application, which proposes linking the New York region with Ecuador, a significant exporter of seafood, vegetables, live trees and plants to the U.S.

The trade between the U.S. and South America is characterized by an imbalance between exports and imports. Imports from Ecuador to the New York region, specifically, outpace exports to Ecuador by a ratio of over 10 to 1. Evergreen's proposal would even the balance by supplementing the southbound service with traffic coming from Asia, via New York. We strongly agree with Evergreen's statement that such routing would enhance the economics of the Ecuador service. We also would add that such routing has been advocated by the Port Authority as an effective and efficient way to join economies and trade between Asia and South America, via New York/New Jersey, since it often

constitutes a lower calculated mileage than the traditional routing via the West Coast of the U.S.

The all-cargo service provided to Ecuador is concentrated in Miami. We believe the service being proposed by Evergreen will fill the gap that exists in the trade between New York/New Jersey and Ecuador with direct service, and has the potential for developing into a non-stop service in the future as the trade between New York/New Jersey and the Northeast region, and Ecuador fulfills its potential and worldwide economic demand strengthens.

The New York/New Jersey market is one of the largest consumers of flower and live plants, vegetables and seafood in the U.S. However, air cargo services from South America have, until now, made Miami their center of operations, relying on the distribution of these goods to final consumer markets via roadway. The commodities in question, being highly perishable, are very sensitive to time spent traveling from origin to ultimate destination. South America has been increasing its supply of flowers and live plants, vegetables and seafood to the U.S, in general, and to New York/New Jersey, in particular, making available products which will be highly competitive with the same commodities originating in other regions. This will benefit consumers in our region by providing them with competitively priced, high quality products.

The same-plane characteristic of the service being proposed by Evergreen enhances the delivery of perishable goods, such as the ones originating in Ecuador and destined to the New York and New Jersey region, both in terms of time and of cost.

We respectfully ask the U.S. DOT to grant Evergreen's request for frequencies to operate these flights. We believe that besides the improvements to product delivery, with Evergreen's center of operations being New York that increased business activity, deriving from this proposed service offer, will benefit the airport community and our region in general.

Respectfully submitted,

O/S/B

William R. DeCota
Director
Aviation Department

Certificate of Service

I certify that I have this August 2nd 2002 served this Answer to the Application for allocation of additional U.S.-Ecuador all-cargo frequencies on the following persons.

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